



**CITY OF SCOTTSDALE
TOURISM DEVELOPMENT COMMISSION
SPECIAL MEETING**

Tuesday, January 26, 2016

**Kiva Forum - City Hall
3939 N. Drinkwater Boulevard
Scottsdale, Arizona 85251
APPROVED MINUTES**

- PRESENT:** David Scholefield, Chairman
Ren Hirose, Vice-Chairman
Ace Bailey
Camille Hill
Robert McCreary
- ABSENT:** Linda Dillenbeck
Carl Grupp
- STAFF:** Steve Geiogamah
- GUESTS:** Mike Fox, Scottsdale Museum of the West
Jim Bruner, Scottsdale Museum of the West

1. Call to Order/Roll Call

Noting the presence of a quorum, Chairman Scholefield called the special meeting of the Scottsdale Tourism Development Commission to order at 8:00 a.m.

2. Museum of the West Permanent Gallery Development and Marketing Project Funding Request

Steve Geiogamah said the Commission is requested to consider a recommendation to allocate \$500,000 in carryover funds in support of the Scottsdale Museum of the West Gallery Exhibit and Visitor Marketing Project. In February of 2013, City Council approved the management agreement with MOW, Inc. to manage the service facility for the museum. That action included \$2 million from bed tax carryover to support matching funds on an annual basis for five years, with a maximum amount of \$400,000 annually. It also included \$900,000 in carryover bed tax funds to provide debt service reserves for

construction of the facility. Currently \$4.1 million is available in the fund to support this requested action.

Jim Bruner, Chairman of the Board for the Scottsdale Museum of the West, presented an opportunity for a public/private partnership that he said would benefit residents and tourists alike. In the three years since the agreement was approved by City Council, all museum obligations have been met, including building a 43,000 square-foot facility featuring a conference center, library, and a 2.5 acre outdoor sculpture garden. The museum has attracted visitors from all 50 states and at least 18 foreign countries during its first year. The facility has hosted a variety of activities and events, and has presented screenings, lectures and other programming that attracts people to downtown.

Mr. Bruner said a November 6 program honoring the 50th Anniversary of the Cowboy Artists of America attracted over 1,000 people. The museum was invited to become an affiliate of the Smithsonian Institute. CBS Sports recorded a 20-second spot at the museum that aired during a nationally broadcast Arizona Cardinals game.

Mike Fox, Executive Director/CEO of the Scottsdale Museum of the West, thanked the Commission for their support over the years. He explained that the museum has been completely reliant so far on private sector loans for the collection on display. One major collector has amassed an extraordinary collection of ceramic pots from the Hopi culture, ranging from prehistoric to contemporary times. There are over 120 pieces in this collection, and the donor wants to gift the collection to the museum to create a permanent display for them. The collection recognizes Nampeyo, a Hopi-Tewa potter who has inspired generations, and the museum would be privileged to display many of her masterworks.

Mr. Fox said the requested \$500,000 in City support would position the museum to properly curate the collection, perform gallery renovations, create the exhibit, and develop a marketing plan to promote its uniqueness. The objectives are to attract new visitors from the Hopi and other Native American nations, as well as scholars, and art lovers. The display would be rotational, allowing visitors to see new works each time they visit. Once the marketing program is launched, people will begin to see the significance of the collection. It would give them a reason to come to Scottsdale or stay longer if they are already here.

Mr. Fox stated that this exhibition will add another attraction for visitors to Scottsdale, enhance the community's reputation, and stimulate an interest in and market for Native American art. Opportunities for specialized public programs and events centered on the Hopi and other indigenous nations of Arizona will increase. The exhibition will enhance cross-cultural communication. The opportunity to acquire a collection of such quality comes along very rarely. This use of bed tax money is in concert with the intent of voters who created the fund, and will continue to build on what the museum has already started.

Mr. Fox reviewed the projected \$500,000 budget.

- Collection management, administration and transport - \$100,000
- Exhibition design and project management - \$60,000
- Gallery build out - \$75,000

- Exhibit furniture, fixtures and equipment - \$60,000
- Audio/visual production and equipment - \$60,000
- Graphic design production - \$20,000
- Exhibit installation - \$25,000
- Marketing and miscellaneous expenses - \$100,000

Commissioner Hill said she is a sustaining member of the museum and inquired about the plans to market the museum and the collection. Mr. Fox explained that the museum has had very limited funds for marketing so far. The SCVB, hoteliers, and destination management companies have been essential to the effort. A monthly newsletter is sent to all members. The requested funding will allow for advertising purchases in regional, national and international publications.

Commissioner Hill inquired whether the Museum of the West has applied for grant funding like the Heard Museum has. Mr. Bruner responded that a number of local foundations have provided capital funds so far. He acknowledged Mr. Fox's role in helping the Heard Museum achieve its present success. The pottery donor could have given his collection to any museum in the country. Mr. Fox noted that all Title I schoolchildren now have the opportunity to experience the museum at no cost, thanks to a recent donation from the Marley Foundation.

Vice Chairman Hirose said he supports the museum, but questioned the marketing effort. Much bed tax money has been spent on the museum, but it largely remains a well-kept secret. A good public relations campaign is more cost-effective than magazine advertising buys. Mr. Fox said a specific marketing plan is being developed for this project. A great deal is being done by the limited staff that is currently available. It typically takes three to five years to build a good marketing campaign. The Board has increased the investment for paid advertising and social media, but most of the marketing so far has been through other media considerations. Mr. Bruner noted that the museum operates in the black, which is a rarity for a first-year non-profit. Significant funds have been set aside for an endowment as well. Vice Chairman Hirose offered the TDC's assistance.

Vice Chairman Hirose inquired about the Hopi community's reaction to this proposal. Mr. Fox said he has not spoken to anyone specifically, but based on his past experience, Native Americans have embraced major collections at the other museums he has been associated with. Hopis will be involved in the planning and development of this exhibit. He said he hopes the exhibition becomes a source of inspiration to young potters of Hopi and other origins. Vice Chairman Hirose asked whether other donors are considering establishing permanent collections. Mr. Fox responded that the museum will soon be in the position to announce other major additions to the permanent collection.

In response to an inquiry from Vice Chairman Hirose, Mr. Bruner said the matching funds provided by the City sends a powerful message to potential donors that Scottsdale is committed to the museum.

Chairman Scholefield offered his congratulations. He stated that the Commission's primary concern is how to drive attendance to Scottsdale's attractions so that they can be successful in the future. Mr. Fox responded that the Museum of the West appreciates the TDC's continuous input and involvement when it comes to marketing the

institution. The staff size is very small, so the community's resources are certainly welcome. Chairman Scholefield recommended seeking the input of the Hospitality Sales Marketing Association, the National Association of Catering Executives, and TDC members.

Vice Chairman Hirose inquired about the time frame for the \$500,000 spend. Mr. Fox explained that the reason the funding is needed immediately, is to demonstrate the commitment and ability to develop this exhibit. The goal is to have the exhibit open in January of 2017. Commissioner Bailey asked whether the allocation would enable the museum to increase its marketing staff. Mr. Fox said the marketing staff is set to increase by one following the Board's decision to increase that budget.

Commissioner Bailey said this collection is extremely important, and it is imperative that the funding is available as soon as possible.

COMMISSIONER BAILEY MOVED TO RECOMMEND FUNDING IN THE AMOUNT OF \$500,000 FROM THE BED TAX CARRYOVER FUND TO SUPPORT THE SCOTTSDALE MUSEUM OF THE WEST PERMANENT GALLERY. COMMISSIONER MCCREARY SECONDED. THE MOTION CARRIED BY A VOTE OF FIVE (5) TO ZERO (0). COMMISSIONERS DILLENBECK AND GRUPP WERE ABSENT.

3. Public Comment

None.

4. Identification of Future Agenda Items

None.

Adjournment

The meeting adjourned at 8:53 a.m.

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